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The U.S. Men's Razor-Blade Market: A Competitive Profile

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Abstract

This paper follows the footsteps of five studies: the U.S. Men's Shaving Cream, the U.S. Beer, the U.S. Shampoo, the U.S. Shredded/Grated Cheese, and the U.S. Refrigerated Orange Juice markets.

Porter links high market share with cost leadership strategy which is based on the idea of competing on a price that is lower than that of the competition. However, customer-perceived quality—not low cost—should be the underpinning of competitive strategy, because it is far more vital to long-term competitive position and profitability than any other factor. So, a superior alternative is to offer better quality vs. the competition.

In most consumer markets a business seeking market share leadership should try to serve the middle class by competing in the mid-price segment; and offering quality better than that of the competition: at a price somewhat higher, to signify an image of quality, and to ensure that the strategy is both profitable and sustainable in the long run.

Quality, however, is a complex concept consumers generally find difficult to understand. So, they often use relative price, and a brand's reputation as a symbol of quality.

In 2008—and 2007—the Gillette brand dominated the U.S. Men's Razor-Blade market like a colossus, with a 90%, and 78% share, respectively, in Blades and Razors in 2008.

In 2008 sales for the U.S. were $111 million for Men's Razors, and $591 million for Men's Blades.

We tested two hypotheses: (1) That a market leader is likely to compete in the mid-price segment, and (2) That the unit price of the market leader is likely to be somewhat higher than that of the nearest competition.

Employing U.S. retail sales data for 2008 and 2007, we found that for both 2008 and 2007 the market leader in the Razor market was not a member of the mid-price segment, but the premium segment. Likewise, in the Blade market the leader was part of the premium segment, not the mid-price segment.

Several arguments can be offered to explain this deviation: (1) Gillette had a virtual monopoly of the industry because it was pursuing "First to market" strategy of innovation and on-going improvement, *(2) The technology of producing Razors and Blades has become more complex and consequently more expensive, (3) Producers are now offering many more new feature—and benefits--than ever before that further raise the cost of production, and (4) Many men regard shaving an important part of personal grooming which they regard an "affordable luxury".*

Whereas Gillette had positioned itself as a premium brand in the past, it stepped up the ladder and placed Fusion Blades in the Super-premium segment in 2007 and 2008.

We also found strong support for the idea, that relative price is a strategic variable.

Finally, we discovered three strategic groups in the industry.

Keywords

U.S. Men's Razor-Blade Market, cost leadership, price-quality segmentation, market-share leadership, relative price a strategic variable, strategic groups

1. Introduction

This work follows the paths of *five* studies: the U.S. Men's Shaving Cream, the U.S. Beer, the U.S. Shampoo, the U.S. Shredded/Grated Cheese, and the U.S. Refrigerated Orange Juice markets (Datta, 2012, 2017, 2018a, 2018b, 2018c). That research is based on the idea that the way to market share leadership does not lie in lower price founded in *cost leadership* strategy, as Porter (1980) suggests. Rather, it is based on the premise—according to the PIMS (Note 1) database research—that it is *customer*-perceived quality that is crucial to long-term competitive position and profitability. So, the answer to market share leadership for a business is to *differentiate* itself by offering quality that is *better* than that of the nearest competition (Datta, 2010a, 2010b, 2012, 2017, 2018a, 2018b, 2018c).

To make this idea *operational* requires two steps. The first step is to determine which price-quality segment to compete in? Most consumer markets can be divided in three *basic* price-quality segments: *premium*, *mid-price*, and *economy*. These can be extended to five by adding two more: *ultra-premium* and *ultra-economy* (Datta, 1996, 2012, 2017, 2018a, 2018b, 2018c). The answer lies in serving the *middle* class by competing in the *mid-price* segment. This is the socio-economic segment that embodies about 40% of households in America (Datta, 2011). It is also the segment that Procter & Gamble (P&G), a leading global consumer products company, has successfully served in the past (Datta, 2010b, 2012, 2017, 2018a, 2018b, 2018c).

1.1 The Strategic Importance of Price Positioning

The second step is to position the brand at a price that is *somewhat* higher than that of the nearest competition in the *mid-price* segment. This is in accord with P&G's practice based on the idea that although higher quality does deserve a "price premium", it should *not* be excessive (Datta, 2010b). A higher price offers two advantages: (1) it promotes an image of quality, and (2) it ensures that the strategy is both profitable and sustainable in the long run (*ibid*).

A classic example of price positioning is provided by General Motors (GM). In 1921 GM rationalized its product line by offering "a car for every purse and purpose"—from Chevrolet to Pontiac, to

Oldsmobile, to Buick, to Cadillac. More importantly, GM positioned each car line at the *top* of its segment (Datta, 1996, 2010a, 2017, 2018a, 2018b, 2018c).

A more recent and familiar example is the *economy* chain, Motel 6, which has positioned itself as "offering the *lowes*t price of any national chain". Another example is Fairfield Inn. When Marriott introduced this chain, it targeted it at the *economy* segment. And then it positioned it at the *top* of that segment (Datta, 1996, 2017, 2018a, 2018b, 2018c).

1.2 Close Link between Quality and Price

As mentioned above, *customer* perceived quality is the most important variable contributing to the long-term success of a business. However, quality cannot really be separated from price (Datta, 1996). Quality, in general, is an intricate multi-dimensional concept that is difficult to understand. So, consumers generally use *relative* price—and a brands' reputation--as a symbol of quality (Datta, 2010b, 2012, 2017, 2018a, 2018b, 2018c).

2. A Brief History of the U.S. Men's Razor-Blade Market

The history of men's shaving is synonymous with the Gillette Co. Gordon McKibben (1998, front jacket) describes Gillette's legacy in these words:

The Gillette Company has literally *defined* the world shaving market since its founding in 1901 by legendary…*inventor* King Camp Gillette. But more than that, Gillette serves as a *model* for today's managers of how to maintain commitment to *innovation*, how to advertise *creatively* against competitors, and above all, how to translate a consistent vision of *global* growth into *superior* results in the marketplace (*italics* added).

Gillette's philosophy enunciated by King Gillette--and still followed by the Gillette Co.—is: "We'll stop making razor Blades when we can't make them better" (Note 2).

It was in 1895 when King Gillette was getting frustrated trying to shave with a razor so *dull* it could *not* be stropped (sharpened) at home, and had to be taken to a barber or cutler to get it sharpened. So, in his quest for a better way to shave, a revolutionary idea came to him like a *dream*. And, that idea was: "a *separate* razor handle with a *disposable* blade". This is how King Gillette recounted that magic moment twenty years later (McKibben, 1998, p. 5, *italics* added):

I could see the way the blade could be held in a *holder*; then came the idea of *sharpening* the two opposite edges on the thin piece of steel that was uniform in thickness throughout, thus *doubling* its services; and following in sequence came the *clamping* plates for the blade and a *handle* equally disposed between the two edges of the blade.

He further visualized "disposable Blades so *thin* and *strong* they were deemed impossible to forge by MIT-trained scientists. By 1901, he had proven them *wrong* with his breakthrough innovation" (*italics* added) (Note 3).

The *first* two-piece *safety* razor was the *single*-edge Star, patented in 1876. However, it was very *cumbersome*, because first the user had to remove the blade for stropping, and then reinsert it into the handle. However, King Gillette's idea of a permanent handle housing a low-cost *disposable double*-edge blade varied fundamentally from Star-type safety Razors. Gillette's focus was mainly on the *convenience--ease of use*--and the *economy* of a *refillable* razor and blade system: *not* just safety (McKibben, 1998, p. 6).

2.1 Men's Home-shaving Market Becomes Real

It was not until after America's entry in World War I in 1917 that the idea of a mass market for Men's Razors and disposable Blades became a reality (McKibben, 1998, p. 18). Before, a two-day *stubble* was quite common among American men (p. 17). However, from its earliest days, Gillette's advertisements have emphasized the "manliness and sexiness of the smooth-shaven man" (p. 18). Following the examples of British and French officers, who encouraged their soldiers to be clean-shaven, the U.S. military began to issue Gillette shaving kits to every U.S. serviceman (p. 19). Even though Gillette sold the kits to the military at a discount, yet it made money on the deal (p. 20).

The benefit of this deal turned out to be far more consequential than a one-time spurt in Gillette's sales. When the soldiers returned home after WWI, the *required* habit of clean shaving acquired by millions of servicemen broke down any lingering resistance to self-shaving among the civilian men (McKibben, 1998, p. 20).

2.2 Gillette's Strategy of Globalism

The shaving fever was not just restricted to America, it had spread to foreign lands as well. And this is where Gillette's strategy of globalism was beginning to pay off. So, Gillette expanded its European operations by opening a plant in England. In the meantime, Gillette was gaining a reputation for the global character of its operations. A significant advantage of globalism was the wisdom, the corps of its experienced global managers were able to bring to the home-base (McKibben, 1998, p. 21).

In the silver anniversary issue of the *Blade*, King Gillette observed that his invention had not only revolutionized the shaving market, "but to some degree had altered the habits of mankind" (McKibben, 1998, p. 22). He said that in his travels he found Gillette Razors and Blades "in the most northern town of Norway and in the heart of the Saharan desert where no white man lives" (p. 22). *Blade* editors claimed that "it is impossible to name any other manufactured commodity with distribution system as great and widespread as Gillette…In every town and city in the world Gillette Razors and Blades may be purchased!" (p. 22).

Although a mere 8% of India's population was literate, Gillette nonetheless produced advertising exalting the virtues of its Razors and Blades in *seven* regional languages plus English. A spokesman of Gillette boasted that "the name of Gillette is as well known in Bombay as in Boston" (McKibben, 1998, p. 22).

2.3 Gillette's Strategy of "First to market"

2.3.1 Gillette Super Blue Blade

From the very beginning Gillette was wedded to the "First to market" strategy: a strategy of innovation and constant improvement (Datta, 2010b). In the 1960s Gillette introduced the first blade, each edge of which was *coated* with silicone—Super Blue. The success of Super Blue ushered in a period when *chemistry* became as vital as *metallurgy* to Gillette's production processes. The Super-Blue breakthrough was the result of British-American teamwork: a direct result of Gillette's dedication to globalism. Lab tests showed that *silicone*-coated Blues resulted in far *more* comfortable shave than the Blues without the coating (McKibben, 1998, pp. 52-53).

2.3.2 The Shock of Wilkinson's Stainless-Steel Blades

In 1962 Wilkinson Sword, Ltd., a London cutlery company, that used to make combat swords, introduced *stainless steel* Blades for the safety razor market. Users said they could get a *dozen* or more shaves from each blade, compared to *three* or *four* from the best carbon steel blade like Gillette's Super Blue. Armed with a superior product, Wilkinson was posing a serious challenge to Gillette's undisputed leadership (McKibben, 1998, p. 56).

Gillette's scientists had long known that Blades made from *corrosion-resistant* stainless steel would produce more shaves per blade, than Blades made from carbon steel. Interestingly, Gillette was *ahead* of Wilkinson to develop a suitable coating for stainless steel Blades for which it was able to secure a patent *before* Wilkinson could get it. So, ironically, Wilkinson had to pay Gillette a royalty on the very Blades that were posing a major challenge to the latter (McKibben, 1998, p. 57).

It seems that Gillette was a following a "complacent' strategy of rushing to get Super Blue on the market, because it was very profitable. Although Gillette scientists had developed a coating that seemed to work with stainless steel, this endeavor was pushed aside in favor of its focus on Super-Blue. So, Wilkinson's stainless-steel coup must have come as a shock to Gillette executives. The problem was that customers loved Wilkinson stainless steel Blades which had instantly become a status symbol (McKibben, 1998, pp. 57-58).

One year after the Wilkinson shock, Gillette finally came out with its own stainless-steel Blades at a price just a little lower than that of the Wilkinson Blades. But Wilkinson was beset with manufacturing problems that made it impossible for the company to distribute its Blades through the entire United States for several months. And soon Gillette was back in the saddle as the undisputed king of the American safety Razor-Blade market (McKibben, 1998, p. 58).

2.3.3 Gillette Trac II 1971

In 1971 Gillette introduced the *first twin*-blade shaving system. This is an invention that finally brought an *end* to the long, glorious 67-year reign of King Gillette's double-edge Blades: a revolutionary invention that became the very foundation of the Gillette Co., and made it a commanding force in the razor-blade market around the whole world.

2.3.4 Gillette Atra Plus 1985

Gillette launches Atra Plus, the *first* razor with a *lubricating* strip (Note 4).

2.3.5 Gillette Sensor 1990

Sensor was the "*first* razor with twin Blades *individually* mounted on highly responsive springs that automatically adjust to the contours of every face" (Note 5; *italics* added). The hallmark of Sensor was that it was based on the novel idea of shaving facial hair with *independently* moving twin Blades. Gillette engineers encountered a quality control problem they had not faced before: to learn to work with *electronic* scanners that were able to gauge deviations measured in *microns*: twenty-five thousandths of an inch (McKibben, 1998, pp. 246-247).

One goal of Gillette management in launching Sensor was to *reposition* Gillette as a *premium* brand: a maker of high-performance quality razor-blade systems, and to project an image of a company that "understood men and what made them feel good about themselves". A theme that Gillette employs even today is: "Best a Man Can Get" (McKibben, 1998, p. 249).

The marketing strategy for Sensor required an almost global launch: to simultaneously introduce it in nineteen countries across two continents. In 1990 Gillette sold 24 million Razors, far exceeding the company's estimate of 18 million; and instead of shipping 200 million Sensor cartridges, the company shipped 350 million (McKibben, 1998, p. 252).

2.3.6 Gillette Blade-making Technology Becomes More Complex: And Expensive

At the time when King Gillette invented his safety razor Blades in 1904, the major technology he had to master was *metallurgy*. But, when Gillette introduced Super Blue silicone-coated Blades, *Chemistry* also became an important part of the manufacturing process. However, with the introduction of Sensor, *Electronics*, too, became part of Gillette's repertoire. One implication of this development was that Gillette's blade production process of manufacturing Blades was increasingly becoming more complex, and therefore ever more *costly*.

2.3.7 Gillette Mach 3 1998

Gillette introduces Mach 3, the *first three*-blade technology for an "even smoother closer shave" (Note 6).

2.3.8 Gillette Fusion 2006

Gillette introduces the *first five*-blade razor: the world's *first* razor to feature advanced technology on *both* the front and the back of the blade cartridge.

2.3.9 Gillette Fusion ProGlide Razor with FlexBall Technology 2014

Gillette introduces Fusion ProGlide Razor with FlexBall Technology: "a *pivoting* razor built to maximize contact with every contour of a man's face" (Note 7).

2.4 P&G Agrees to Acquire Gillette Co.

P&G agreed to buy Gillette Co. in a $57 Billion stock deal in January 2005. P&G and Gillette executives argued that this marriage would bring together the marketing and distribution prowess of P&G, whose products are marketed primarily to women, together with Gillette's high-profit Men's razor Blades, which are marketed mainly to men (*Wall St. Journal*, 2005).

2.4.1 History of Schick Razors

Schick was founded in 1926 by Colonel Jacob Schick (Note 8). In the same year Schick successfully introduced a single blade safety razor system that stored 20 Blades in a steel *injector* (Note 9). The Eversharp Company bought the rights to the razor in 1946 (Note 10). In 1970 Warner Lambert, a division of Pfizer, acquired Schick from Eversharp (McKibben, 1998, p. 60). In 2003 Energizer Holdings bought out Schick from Pfizer (*Supermarket News*, 2003). In 2015 Schick became a part of Edgewell Personal Care Co. which was born as a result of corporate split of Energizer Holdings (Note 11).

2.4.2 Schick Quattro Cartridge 2003

Schick introduces *first* commercial *four*-blade refillable cartridge (Note 12).

3. Gillette's Pricing Strategy for Fusion Razors and Blades

It is not unreasonable to suggest that after King Gillette's revolutionary invention of a razor with a disposable twin-edge blade in 1904, Gillette's launch of Fusion in 2006 was a major innovation.

According to *Business Wire* (2005) Fusion was world's *first* razor to feature advanced technology on *both* the front and the back of the blade cartridge. This is how the newspaper characterizes this breakthrough technology:

[O]n the *front* of the cartridge, blades [are] spaced *30* percent *closer* together than MACH3 blades. The combination of adding *more* blades and *narrowing* the inter-blade span creates a "Shaving Surface" that distributes the shaving force across the blades, resulting in significantly *less* irritation and *more* comfort. The Precision Trimmer (TM) blade, a single blade on the *back* of the cartridge, allows men to easily trim *sideburns*, shave *under* the nose and *shape* facial hair with control (*italics* added).

Chris Anderson, in his book *Free* (2009), suggests that King Gillette not only invented a revolutionary razor-blade system, he also invented a new business model—commonly known as the "*razor-blade*" model—for businesses that sell two *related* products that work together in-tandem. He says this model has now become the underpinning of many industries, e.g., VCRs, DVD players, Xbox, e-book readers, and so on. Under this model you sell one product (Razor) at a *low* price, and then make your money by selling the other product (Blade) at a *high* price.

3.1 Gillette Has Not Followed the "Razor-Blade" Strategy

Picker (2010), however, offers a *different* perspective. He argues that, between 1904 when Gillette got the patent, and November1921 when that patent expired, Gillette could have played the razor-blade strategy: low price or free Razors, and a high price for Blades. However, Picker adds, the company did *not* play that strategy when that was the best time to do so. Instead, during this period Gillette insisted on selling its razor at a *high* price of $5 and *premium*-priced Blades (also McKibben, 1998, p. 17).

As we have mentioned before, a 90% market share in the Blade market means that Gillette virtually "owns" the market. So, when your nearest competitor Schick has managed to capture just 6% of the Blade market, embracing the "razor-blade" model makes no economic sense, whatsoever.

Clearly, consumers have to replace Blades *far* more frequently than Razors. As such, Blades are *inherently* more profitable than Razors. So, when a business introduces a *new* Razor-Blade model, a strong dose of discounting Razors seems quite reasonable to bolster the sale of Blades. Of-course, as a brand matures, such a discount can be reduced to more normal levels over time.

3.2 Gillette Offers Heavy Discount on Fusion Razors to Stimulate Sale of Fusion Blades

As we have mentioned before, Gillette has been following a long-term strategy of innovation and continuous improvement. So, it has constantly introduced new models periodically, such as Sensor, Trac II, Atra Plus, Sensor, and Mach 3. But, as we have indicated below, the launching of Fusion in 2006 was an extraordinary event. As Table 3 shows, Gillette offered a discount on various brands of Fusion Razors that ranged from 41% to 54% during 2008. The data for 2007 was generally comparable to that for 2008, except for Fusion *Phenom* Razor which carried an astounding discount of 68% that dropped to 49% in 2008.

3.3 Gillette's Need for Some Cannibalism

When a business introduces a new Razor-Blade model, what happens to the reigning *older* model? An industry like the automobile does not face this problem, because the newer model simply replaces the older one. However, in the Razor-Blade industry *both* models usually exist side by side for years.

Before 2006, when Gillette introduced Fusion, the market *leader* was Gillette's own *Mach 3*, in both the Razor and Blade markets. Thus, Fusion's major competitor was *not* going to be an outsider, but a member of Gillette's own clan. So, Gillette had to engage in a certain degree of *cannibalism* by pitting one of its own against another. So, it began promoting Fusion as a *five*-blade razor "that beat Mach 3 on *every* attribute, providing Gillette's *closest* and most *comfortable* shave ever (*italics* added) (Note 13).

The *most* popular pack in the Blades market in 2007 was the *four*-pack: for *both* Fusion and Mach 3. So, in order to *avoid* a head-to-head competition between the two in the future, Gillette engineered a massive *shift* in Mach 3 Blades from a four-pack to a *five*-pack—from sales of $70 million in 2007 to $2 million in 2008. This is a segment that was not part of Fusion's portfolio. On the other hand, sales of Mach 3 *five*-packs catapulted from $3 million in 2007 to $67 million in 2008.

3.4 Gillette Enters the Super-Premium Segment

As we have indicated before, when Gillette introduced Sensor brand in 1990, it began to reposition Gillette as a *premium* brand. However, with the entry of Fusion, it placed Fusion *Blades* in the *super-premium* segment (Table 2). This is in accord with P&G's strategy that it plans to compete in all "price points" *except* the *economy* segment, as we have indicated in the next section.

3.5 Fusion Launch a Big Success

So, how successful was Gillette's Fusion launch? In 2007 Mach 3 Blade sales were $268 million, compared to $195 million for Fusion: just two year after its market entry. While Mach 3 Blade sales *declined* to $240 million in 2008, Fusion sales went *up* to $215 million.

In the Razor market Mach 3 sales *declined* from $33 million in 2007 to $28 million in 2008. In contrast, Fusion Razor sales rose from $45 million to $54 million.

It is clear from the foregoing that Gillette's Fusion debut was a resounding success, as far as sales are concerned.

4. The U.S. Men's Razor-Blade Market—Price-Quality Segmentation Profile

This study is based on U.S. retail sales for 2008 and 2007 (Note 14). The data includes total dollar and unit sales, no-promotion dollar and unit sales, and promotion dollar and unit sales (Note 15).

The U.S. Men's Razor and Blade sales for 2008 were, respectively, $111-and $591-Million. This is a market which was virtually "owned" by Gillette in 2008—especially in Men's Blades—with a market share of 90% and 78%, respectively, in Men's Blades and Razors.

In the Men's 2008 Blade market, the pack-sizes ranged from 1 to 20 blades, which were *led* by the four-pack at 31.1% of dollar sales, followed by 29.4% for the eight-pack. Moreover, in terms of number of units sold, the four-pack sold 80% more than the eight-pack. So, we have focused cluster analysis on the *four*-pack.

In order to increase sample size, we *added* eight five-pack brands whose prices were even *lower* than the *lowest*-priced four-pack brand in the *economy* segment.

4.1 Hierarchical Clustering as the Primary Instrument of Statistical Analysis

We have used *cluster analysis* as the *primary* statistical tool in this study. As suggested by Ketchen and Shook (1996), we have taken several steps to make this effort as objective as possible:

- First, this study is *not* ad-hoc, but is grounded in a theoretical framework, as laid out below.
- Second, we are fortunate that we were able to get sales data for our study for *two* years. Thus, this data provided a robust vehicle for subjecting cluster consistency and reliability to an *additional* test.
- Third, we wanted to use two different techniques—KMeans and Hierarchical—to add another layer of cluster consistency and reliability. However, we found Hierarchical cluster analysis to be superior in meeting that test. So, we did *not* consider it necessary to use the KMeans technique.

4.2 Theoretical Foundation for Determining Number of Clusters—And Their Meaning

As already stated, a major purpose of this paper is to identify the market share leader and determine the price-quality segment—based on unit *price*—it is competing in.

An important question in performing cluster analysis is determining the *number* of clusters based on an *a priori* theory. Most consumer markets can be divided in three *basic* price-quality segments: *premium*, *mid-price*, and *economy*. These three basic segments can be extended to *five*: with the addition of *super-premium* and *ultra-economy* segments (Datta, 1996).

Therefore, *three* represents the *minimum* and *five* the *maximum* number of clusters (Datta, 2012, 2017, 2018a, 2018b, 2018c).

An equally crucial issue is to figure out what each cluster (e.g., *economy*, *mid-price, and premium*) really *means*.

Perhaps a good way to understand what each price-quality segment stands for in real life is to look at a socio-economic *lifestyle* profile of America. It reveals *six* classes (Note 16). Each class is associated with a price-quality segment typified by the retail stores where they generally shop: each a symbol of their lifestyle (Datta, 2011).

4.3 Guidelines for Cluster Consistency and Reliability

In addition to laying a theoretical foundation for the *number* of clusters, we set up the following guidelines to enhance cluster consistency and reliability (Datta, 2012, 2017, 2018a, 2018b, 2018c):

- In general, there should be a *clean break* between *contiguous* clusters.
- The *anchor* clusters—the top and the bottom—should be *robust*. In a cluster-analysis project limited to a range of three to five clusters, a robust cluster is one whose membership remains constant from three- to four-, or four- to five-cluster solutions.
- Finally, we followed a step-by-step procedure to determine the optimal solution. First, we start with *three* clusters. Thus, the bottom cluster obviously becomes the *economy* segment and the top cluster the *premium* segment. Next, we go to *four* clusters, and *tentatively* call them: *economy*, *mid-price*, *premium*, and *super-premium*. Then we go to *five* clusters. If the membership of the *bottom* cluster remains unchanged from what it was in the four-cluster result, it clearly implies that the *ultra-economy* segment does *not* exist. Next, if the membership of the *top* cluster also remains the same from a four- to a five-cluster solution, then the *top* cluster becomes the *super-premium* segment. This means that even in a five-cluster solution we have only *four* price-quality segments: *economy*, *mid-price*, *premium*, and *super-premium*. It implies that either the *premium* or the *mid-price* segment consists of two *sub*-segments (Table 1).

4.3.1 External Evidence to Validate Results of Cluster Analysis

Whenever possible, we have tried to seek *external* evidence to validate the results of cluster analysis. For example, many companies identify on their websites a certain brand(s) as a *premium* or luxury brand. Another case is that of P&G which says that its plan is to compete in all “price points:” *super-premium*, *premium*, and *mid-price except* the *economy* segment (Datta, 2010b).

4.4 Testing Hypotheses

- I—That the market-share leader would be a member of the *mid-price* segment.
- II—That the market-share leader would carry a price tag that is *higher* than that of the nearest competition.

4.5 Results of Cluster Analysis

4.5.1 Men’s Razors

In Table 1 we present the results of 2008 Hierarchical cluster analysis for Men’s Razors that include 14 brands with sales exceeding $ 1 Million. However, the results do *not* support our hypothesis because the market leader, *Gillette Fusion*, was a member of the *premium, not* the *mid-price* segment. Likewise, *Gillette Fusion Phenom*, the runner-up, was part of the *premium* segment, too.

Like 2008, Gillette Fusion was not only the market leader in 2007, but also a member of the *premium* segment.

4.5.2 Men’s Blades

In Table 2 we present the results for Men’s Blades for 2008 that include 16 four-pack and 8 five-pack brands, as mentioned earlier.

The market leader was *Gillette Mach 3*, a member of the *premium* segment, very closely followed by the runner-up *Gillette Fusion*, part of the *super-premium* segment.

The results for 2007 were similar to those for 2008.

Clearly, these results do *not* support our hypothesis that the market leader is likely to *compete* in the *mid-price* segment.

Several arguments can be offered to explain this deviation from what we have posited in this study:

- As mentioned earlier, the technology for making Men's Razors and Blades has now become quite intricate, based as it is on *three* fields: metallurgy, chemistry, and electronics, which, in turn, raises the cost of production,
- Gillette has been pursuing a strategy of innovation and constant improvement, offering new features—and benefits—than ever before, which has consequently made it possible for it to charge *premium* prices.
- Gillette's virtual monopoly of the industry is another factor, that has enabled it to compete in the *premium* and *super-premium* segments.
- Many men consider shaving an important part of *personal grooming*, for which they are willing to pay *premium* prices: because they regard it an "affordable luxury" (Datta, 2018a).

4.6 What Are Private Brands?

It is important to clarify what *private* brands are. Typically, these are brands made exclusively for individual retailers, e.g., a supermarket, or a drug store. Usually, such brands are targeted at the *economy* segment, and, as such, are generally sold at prices *lower* than those of name brands. One reason, retailers like private brands is because private brands tend to be more profitable than *name* brands (Datta, 2018b, 2018c).

4.7 Relative Price a Strategic Variable

Finally, we performed one more test to determine the consistency and reliability of the results of cluster analysis in this study. So, for Men's Razors and Blades, we *ranked* the unit price of each brand—for both 2008 and 2007.

For both products, and for both years, all *three* measures of bivariate correlation—Pearson, and non-parametric measures Kendall's tau_b, and Spearman's rho—were found to be *significant* at an amazing 0.01 level!

We believe these surprising results became possible only because management in the U.S. Men's Razor-Blade market must have been treating *relative* price as a strategic variable, as we have suggested.

These results are also in accord with earlier studies involving: Men's Shaving Gel, Beer, Shampoo, Shredded/Grated Cheese, and Refrigerated Orange Juice (Datta: 2012, 2017, 2018a, 2018b, 2018c).

While the price of a brand, compared to its nearest competition, may change over time, it is *unlikely* to change much from one year to the next. This is significant not only for the market share leader, but also for every brand no matter which price-quality segment it is competing in.

4.8 The Role of Promotion

For 2008 promotional sales of Men's Razors averaged 31.8% of retail sales (Table 3). However, Men's Blades were discounted much less at 11 .4% (Table 4). The data for 2007 was, generally, comparable to 2008 for both Razors and Blades.

4.8.1 Men's Razors

In Table 3 the promotional brand data appears in *four* groups on the basis of promotional intensity. We offer the following comments to explain the results:

- The *Very Heavy* group (48-54%) includes runner-up, the Gillette *Fusion Phenom Razor*, a member of the *premium* segment (Table 1). It seems that in 2007 Gillette virtually gave away *Phenom Razor* with a discount of 68%. As a result, its sales jumped from $2.3 million in 2007, to $13 million in 2008 (Table 3). However, the discount declined to 49% in 2008 (Table 3).
- In the *Heavy* group (36-42%) are *Gillette Fusion Razor*, the market *leader,* Schick Quattro Titanium Razor, and Schick Quattro Titanium TRM Razor: all three *premium* brands.
- In the *Moderate* group (21-26%) is the Private-Brands group with a discount of 20.6%: a rate much *higher* that of the Gillette Mach 3 line (see below). Perhaps, the group realized that to protect its market share, low *economy* price alone was not going to be enough, and that it also needed to add the sweetener of a *moderate* level of discount.
- The *Gillette Mach 3* line, introduced in 1998, falls in the *Very Light* group (4.6-7.5%) with the top-selling brands with a low discount rate of 5.4% and 6.9%--*far* lower than *over* 40% discounts offered by various brands in the new Gillette Fusion line.

4.8.2 Men's Blades

Table 4 contains the promotional brand data that appears in *four* groups on the basis of promotional intensity. We have used a *common* yardstick to keep data on Razors and Blades comparable:

- The *Fusion Razor Blade*, the runner-up, is a member of the *Light-Moderate* group (16-20%) with a score of 17%. This score for the new Fusion brand is much *higher* than 7.3% for the long-established Gillette Mach 3 (see below). For a new brand the higher level of discount makes a lot of sense.
- The market leader, *Gillette Mach 3*, is part of the *Very Light* group (6-7.3%), with a discount of 7.3%.
- Finally, we have the *Ultra-Light* group with a range of 3.2-4%. It includes *older* Gillette models, Trac II and Atra, with a discount of 3.4% and 3.2%, respectively.

4.8.3 Why Were Blade Discounts Much Lower vs. Razors in 2008?

As we can see the Blade discount rate was 11.4% vs. 31.8% for Razors. Although this data is for the entire Razor-Blade market, it is also pretty much representative of the Gillette Co. So, the simple answer behind this wide disparity is, that when you have a 90% share of the Blade market, you do not feel much pressure to rely on discounting Blades to accelerate their sale.

5. Strategic Groups in the Men's Razor-Blade Market, 2008

We found *three* strategic groups in this market.

5.1 The Razor Market:

- Procter & Gamble Co.
    - Gillette: *Market Leader*--78.3%
- Edgewell Personal Care Co.
    - Schick: *Runner-up*—15.3%
- Private Brands—3.9%

5.2 The Blade Market:

- Procter & Gamble Co.
    - Gillette: *Market Leader—90.4*%
- Edgewell Personal Care Co.
    - Schick: *Runner-up*—6.4%
    - Wilkinson--0.1%
    - Personna--0.0%
- Private Brands—2.8%

In Table 5 we present a *summary* of market share by brand *familie*s in the Men's *Razor* market.

Table 6 contains a summary of market share by brand *families* in the Men's *Blade* market.

5.3 The Procter & Gamble (P&G) Co.

- P&G is one of the leading consumer product companies in the world. In 2018, it had sales of $67 Billion. Gillette is part of the *grooming* segment which accounts for 10% of its sales (Note 17).

5.4 Edgewell Personal Care

- The company was created in 2015 with a break-up of Energizer Holdings. Its annual sales for 2018 were $2.2 Billion (Note 18).

5.5 Private Brands

- In 2008 Private Brands had a market share of 4% in Razors, and 2.8% in Blades.

Table 1. Hierarchical Cluster Analysis: The U.S. Men's Razor Market, 2008

Price-Quality Segment	Brand Name (15 brands)	Uprice	ClusCtr	Mksh%	Sales$(M)
Super-Premium	GILLETTE M3 POWER RAZORS	$10.57	$10.28	3.4%	$3.7
	SCHICK QUATTRO TITANIUM TRM RAZORS	$10.14		5.5%	$6.0
	GILLETTE FUSION POWER RAZORS	$10.13		5.3%	$5.8
Premium I	GILLETTE FUSION POWER PHNTM RAZORS	$9.59	$9.26	6.7%	$7.3
	GILLETTE FUSION POWER PHENM RAZORS	$9.38		8.1%	$8.8
	GILLETTE FUSION RAZORS (market leader)	**$9.26**		**14.5%**	**$15.8**
	GILLETTE MACH 3 TURBO RAZORS	$9.11		10.6%	$11.6

	GILLETTE FUSION PHENOM RAZORS	**$8.96**		***11.9%**	**$13.0**
Premium II	INFINITY RAZOR RAZORS	$8.50	$8.34	1.2%	$1.3
	SCHICK QUATTRO TITANIUM RAZORS	$8.43		6.3%	$6.9
	GILLETTE MACH 3 RAZORS	$8.39		11.6%	$12.6
	GILLETTE SENSOR EXCEL RAZORS	$8.04		3.9%	$4.2
Mid-Price	SCHICK QUATTRO MIDNIGHT RAZORS	$7.09	$7.09	2.6%	$2.9
Economy	PRIVATE BRANDS RAZORS	$4.92	$4.92	4.0%	$4.4
	Total Men's Razors 2008 Sales >$1,000,000	**$8.73**		**96.5%**	**$105.1**
	Total Men's Razors			**100.0%**	**$111**

Notes.

1. Brands included here are those with sales>$10,000 in 2008.
2. Gillette Atra and Gillette Trac II brands do not appear here because they did not offer a 4-pack.
3. All Razors are non-disposable.
4. * Runner-up
5. Headblade Razor was *excluded* from this analysis because it is a *specialty* razor for shaving *heads*.

Table 2. Hierarchical Cluster Analysis: The U.S. Men's Blade Market, 2008

Price-Quality Segment	Name of Brand (24 Brands)	Upr	ClusCtr	MkShr%	Sales$(M)
Super-Premium	GILLETTE FUSION POWER RAZOR BLADES	$14.43	$13.87	13.6%	$80
	GILLETTE FUSION RAZOR BLADES	**$13.31**		**22.9%**	**$135**
Premium	GILLETTE M3 POWER RAZOR BLADES	$11.20	$10.20	5.7%	$34
	GILLETTE MACH 3 TURBO RAZOR BLADES	$10.51		11.4%	$67
	SCHICK QUATTRO TITANIUM RAZOR BLADES	$10.39		2.8%	$16
	SCHICK QUATTRO POWER RAZOR BLADES	$10.00		0.3%	$2
	SCHICK QUATTRO RAZOR BLADES	$9.75		2.8%	$17
	GILLETTE MACH 3 RAZOR BLADES	**$9.25**		**23.6%**	**$139**
Mid-Price	GILLETTE SENSOR 3 RAZOR BLADES	$8.08	$7.26	10.0%	$59
	SCHICK XTREME 3 SUB ZERO RAZOR BLADES	$6.90		0.3%	$2
	PRESERVE RAZOR BLADES	$6.79		0.0%	$0
Economy	GOOD SENSE RAZOR BLADES	$5.27	$4.44	0.0%	$0
	SCHICK XTREME 3 RAZOR BLADES	$5.15		0.0%	$0
	PRIVATE BRANDS RAZOR BLADES	$4.88		2.8%	$17
	SELECT BRAND RAZOR BLADES	$4.66		0.0%	$0
	PREMIER VALUE TRI-FLEXXX RAZOR BLADES	$3.99		0.0%	$0
	BUMP FIGHTER RAZOR BLADES*	$3.90		0.0%	$0

	GEM RAZOR BLADES*	$3.26		0.1%	$1
Ultra-Economy	SELECT BRAND RAZOR BLADES II*	$2.47	$2.13	0.0%	$0
	TREET RAZOR BLADES*	$2.46		0.1%	$0
	PAL RAZOR BLADES*	$2.30		0.0%	$0
	GEM BLUE STAR RAZOR BLADES*	$2.08		0.0%	$0
	GOOD SENSE RAZOR BLADES*	$2.03		0.0%	$0
	WILKINSON SWORD CLASSIC RAZOR BLADES*	$1.45		0.0%	$0
	Total	**$12.20**		**96.4%**	**$570**
	Total Sales All Brands			**100.0%**	**$591**

Notes.

1. The brands included here are those whose four- or five-pack sales exceeded $10,000 in 2008.
2. Brands that were introduced in *2008*—the Gillette Fusion Gamer family—have been excluded to maintain comparability between 2008 and 2007.
3. The UPr. of the *bottom-eight* five-pack brands (with asterisks*) are *lower* than the UPr. of the *lowest*-priced four-pack brand (Premier Value). So, they are a valid device to increase sample size.
4. The market share data is for *all* pack sizes for each brand.

Table 3. Percentage of Promotional Sales to Total (Net) Sales: U.S. Men's Razor Market

Brand Names (2008 Sales >$10,000)	**Promotional**	**Sales$ (M)**	**PromS%**
Year	**Intensity**	**2,008**	**2,008**
GILLETTE FUSION POWER PHENOM RAZORS	**Very Heavy**	$8.8	53.7%
GILLETTE FUSION PHENOM RAZORS		**$13.0**	**49.3%**
GILLETTE FUSION POWER RAZORS		$5.8	48.3%
GILLETTE FUSION RAZORS	**Heavy**	**$15.8**	**41.5%**
GILLETTE FUSION POWER PHANTOM RAZORS		$7.3	40.8%
SCHICK QUATTRO TITANIUM RAZORS		$6.9	39.4%
SCHICK QUATTRO TITANIUM TRM RAZORS		$6.0	36.4%
SCHICK QUATTRO MIDNIGHT RAZORS	**Moderate**	$2.9	25.8%
PRIVATE BRAND RAZORS		$4.4	20.6%
GILLETTE M3 POWER RAZORS	**Very Light**	$3.7	7.5%
GILLETTE MACH 3 TURBO RAZORS		**$11.6**	**6.9%**
GILLETTE MACH 3 RAZORS		**$12.6**	**5.4%**
GILLETTE SENSOR EXCEL RAZORS		$4.2	4.6%
Total Razors for Men		**$111.0**	**31.8%**

Table 4. Percentage of Promotional Sales to Total (Net) Sales: U.S. Men's Blade Market

Name of Brand Family	Promotional Intensity	Sales$ (M)	Prom%
Brands with 2008 Sales >$10,000		**2008**	**2008**
PERSONNA RAZOR BLADE Family	**Light Moderate**	$0.0	19.6%
GILLETTE FUSION RAZOR BLADE Family		**$215.4**	**17.3%**
SCHICK RAZOR BLADE Family		$37.8	16.2%
PRIVATE BRANDS RAZOR BLADES Family	**Light**	$16.8	12.4%
GILLETTE MACH 3 RAZOR BLADE Family	**Very Light**	**$239.9**	**7.3%**
GILLETTE SUP STNLS D-E RAZOR BLADE Family		$0.8	6.7%
GILLETTE SENSOR BLADE Family		$58.9	6.0%
WILKINSON SWORD RAZOR BLADE Family	**Ultra Light**	$0.1	4.0%
GILLETTE TRAC II RAZOR BLADE Family		$10.0	3.4%
GILLETTE ATRA RAZOR BLADE Family		$9.2	3.2%
Total Sales All Brands		**$590**	**11.4%**

Table 5. Men's Razor Market Share by Brand Families, 2008

Names of Brand Families	# Brands	Sales$ M	Mksh%
Procter & Gamble (P&G) Co.			
GILLETTE FUSION Family	**3**	**$31**	**27.8%**
GILLETTE MACH 3 Family	6	$24	22.0%
GILLETTE FUSION POWER Family	4	$23	21.2%
GILLETTE M3 POWER Family	2	$4	3.3%
GILLETTE SENSOR S	3	$4	3.8%
Other Gillette Brands	2	$0	0.0%
All P&G Brands	**20**	**$86**	**78.3%**
Edgewell Personal Care Group			
Schick Family	11	$17	15.3%
Personna Family	3	*	
All Edgewell Brands	**14**	**$17**	**15.3%**
Private Brands	**1**	**$4**	**4.0%**
Total All Brands	**47**	**$111**	**100.0%**

Table 6. Men's Blade Market Share by Brand Families, 2008

Names of Men's Blade Brands	# Brands	Sales$ M	Mksh%
Procter & Gamble (P&G) Co.			
GILLETTE MACH 3 Family	**3**	**$240**	**40.6%**
GILLETTE FUSION Family	2	$215	36.4%
GILLETTE SENSOR Family	2	$59	10.0%
Other GILLETTE Brands	5	$20	3.4%
Total P&G Brands	**12**	**$534**	**90.4%**
Edgewell Personal Care Group			
Schick Family	13	$38	6.4%
Wilkinson Family	3	$0	0%
Personna Family	2	$0	0%
Total Edgewell Brands	**18**	**$38**	**6.4%**
Private Brands	**1**	**$17**	**2.8%**
Total Men's Blades	**31**	**$591**	**100.0%**

6. Conclusion

This study is based on the idea that in most consumer markets, a business in quest of market-share leadership should try to serve the *middle* class by competing in the *mid-price* segment; and offering quality *superior* to that of the competition: at a somewhat *higher* price to connote an image of quality, and to ensure that the strategy is both profitable and sustainable in the long run. The middle class is the socio-economic segment that represents about 40% of households in America.

Quality, however, is a complex concept that consumers generally find difficult to understand. So, they often employ *relative* price and a brand's reputation as a symbol of quality.

The history of Men's Razor-Blade Market is literally a history of the Gillette Co., now a part of P&G Co. The Gillette Co. has practically *defined* the global shaving market since its founding in 1901 by King Gillette. The company serves as a model of commitment to *innovation*, how to *advertise* creatively, and single-mindedly pursue *global* growth into superior results in the market.

The Gillette Co. was founded by King Gillette when he invented a truly revolutionary product for shaving facial hair in 1904: a razor with a *double*-edge *disposable* blade so thin that MIT scientists believed could not be done. King Gillette's philosophy was that "We'll stop making razor blades when we can't make them better". He believed that his invention had not only revolutionized the shaving market, "but to some degree had altered the habits of mankind".

King Gillette said that Gillette Razors and Blades can be found "in the most northern town of Norway and in the heart of the Saharan desert where no white man lives". In the silver anniversary issue of the *Blade*, the editors suggested that "it is impossible to name any other manufactured commodity with distribution system as great and widespread as Gillette…In every town and city in the world Gillette

Razors and blades may be purchased!" A spokesman of Gillette said that "the name of Gillette is as well known in Bombay as in Boston".

It was not until *after* America's entry in World War I in 1917 that the idea of a mass market for Men's Razors and disposable Blades became real. Before, a two-day *stubble* was quite common among American men. So, the U.S. military began to issue Gillette shaving kits to every U.S. serviceman. When the soldiers returned home after WWI, the *required* habit of clean shaving acquired by millions of servicemen broke down any lingering resistance to self-shaving among the civilian men back home.

Gillette has a long history of innovation and continuous improvement:

- In the 1960s Gillette introduced Super Blue. This was the *first* blade, each edge of which was *coated* with silicone.
- In 1962 Wilkinson Sword, Ltd., introduced *stainless steel B*lades for the safety razor market. Consumers said they could get a *dozen* or more shaves from each blade vs. *three* or *four* from the best carbon steel blade like Gillette's Super Blue. Armed with a superior product, Wilkinson was posing a strong challenge to Gillette's undisputed leadership.
- One year after the Wilkinson shock, Gillette finally came out with its own stainless-steel Blades. But Wilkinson was plagued with manufacturing problems that made it impossible for the company to distribute its blades through the entire United States for several months. And soon Gillette was back in business as the undisputed king of the American safety Razor-Blade market.
- In 1971 Gillette introduces Trac II: the *first twin*-Blade shaving system.
- In 1985 Gillette launches Atra Plus, the *first* Razor with a *lubricating* strip.
- In 1990 Gillette introduces Sensor: the "*first* razor with twin blades *individually* mounted on highly responsive springs that automatically adjust to the contours of every face".
- In 1998 Gillette launches Mach 3, the *first three*-blade technology for an "even smoother closer shave".
- In 2006 Gillette introduces the *first five*-blade razor: the world's *first* razor to feature advanced technology on *both* the front and the back of the blade cartridge.
- In 2014 Gillette introduces Fusion ProGlide Razor with FlexBall Technology: "a *pivoting* razor built to maximize contact with every contour of a man's face".

In 2008—and 2007--the Gillette brand dominated the U.S. Men's Razor-Blade market like a giant, with a 90% and 78% share, respectively, in Blades and Razors in 2008.

In 2008 retail sales for the U.S. were $111 million for Men's Razors, and $591 million for Men's Blades.

We tested two hypotheses: (1) That a market leader is likely to compete in the *mid-price* segment, and (2) That the unit price of the market leader is likely to be *somewhat* higher than that of the nearest competition.

Employing U.S. retail sales data for 2008 and 2007, we found that for *both* 2008 and 2007, the market leader in the Razor market was *not* a member of the *mid-price* segment, but the *premium* segment.

Likewise, in the Blade market the leader was part of the *premium* segment, *not* the *mid-price* segment. Several reasons can be advanced to explain this disparity: (1) Gillette had a practical monopoly of the industry, (2) Gillette was following a strategy of being at the cutting edge of technology offering new features and benefits that allowed it to charge *premium* prices, (3) The technology for making Men's Razors and Blades has now become quite complicated, which, in turn, has raised the cost of production, and (4) Many men consider shaving a vital part of personal *grooming* which they regard an "affordable luxury".

Like DVD players, Xbox, and other products, the Razor-Blade market has a *peculiar* characteristic that most other markets do not have: selling two *related* products that work together in-tandem. So, one alternative to compete in such markets is to adopt the "razor-blade" model: selling one product (Razor) at a *low* price, and then making your money by selling the other product (Blade) at a *high* price.

However, Gillette has *not* followed that strategy. With a 90% share in the Blade market, the "razor-blade" model does not make much sense at-all.

Since consumers have to replace Blades *far* more frequently than Razors, Blades are therefore essentially *more* profitable than Razors. So, when Gillette introduced Fusion in 2006 it offered a *heavy* discount on its Razors. For 2008 the discount ranged from 41% to 54%: a discount far higher than the 5%-7% for Gillette Mach 3 Razors, the previous best-seller.

However, Fusion's major competitor was *not* going to be an outsider, but a member of Gillette's own stable: the market leader *Gillette Mach 3*. So, Gillette had to indulge in some *cannibalism* by pitting one of its own against another. Thus, it began promoting Fusion as a *five*-blade razor "that beat Mach 3 on *every* attribute, providing Gillette's *closest* and most *comfortable* shave ever".

In 2007 Mach 3 Blade sales were $268 million, compared to $195 million for Fusion: just two years after its market debut. While Mach 3 Blade sales went *down* to $240 million in 2008, Fusion Blade sales went *up* to $215 million.

In the Razor market Mach 3 sales *declined* from $33 million in 2007 to $28 million in 2008. In contrast, Fusion Razor sales rose from $45 million to $54 million.

So, clearly, the launch of Gillette Fusion was a big success, so far as sales are concerned.

Finally, we found *three* strategic groups in this study with the following market shares for 2008:

- Procter & Gamble, the owner of Gillette:
  - Blades—90%
  - Razors—78%
- Edgewell Personal Care, the owner of Schick:
  - Razors—15%
  - Blades—7%
- Private Brands:
  - Razors—4%
  - Blades—3%

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Notes

Note 1. Profit Impact of Market Strategies.

Note 2. https://gillette.com/en-us/about/our-story

Note 3. https://gillette.com/en-us/about/our-story

Note 4. https://gillette.com/en-us/about/our-story

Note 5. https://gillette.com/en-us/about/our-story

Note 6. https://gillette.com/en-us/about/our-story

Note 7. https://gillette.com/en-us/about/our-story

Note 8. *"Col. Jacob Schick (1878-1937)". Electric Shaver Page. January 23, 2011. Retrieved July 13, 2019*.

Note 9. *"Blades Inject Into Razor From Metal Clip". Popular Mechanics: 491. October 1934*.

Note 10. https://www.thoughtco.com/history-of-razors-and-shaving-4070036

Note 11. http://edgewell.com/our-history/

Note 12. https://www.schick.com/us/en/about

Note 13. https://gillette.com/en-us/our-history

Note 14. This data is from food stores with sales of over $ 2 million, and drug stores over $ 1 million; it also includes discount stores, such as Target and K-Mart, but *excludes* Wal-Mart as well as warehouse clubs, e.g., Sam's Club, Costco, and BJ's. It also does not include the "dollar" stores, such as Dollar General, and others.

Note 15. The data includes total dollar and unit sales, no-promotion dollar and unit sales, and promotion dollar and unit sales.

Note 16. The six classes are: "The Poor", "The Near Poor", "Traditional Middle Class", "The Upper-Middle Class", "The Very Rich/The Rich", and "The Mega Rich—Masters of the Universe".

Note 17. https://www.pg.com/annualreport2018/index.html#/Financial-Highlights

Note 18. https://www.ir.edgewell.com/~/media/Files/E/EdgeWell-IR/annual-reports/2018-annual-report-v1.pdf